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## East Asia Review

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Vietnam: Military-Civilian Relations

Differing treatment in Army and party newspapers of a recent party directive on military schools points up that some military leaders are dissatisfied with the Army's economic role and are only halfheartedly implementing some civilian orders. While hardly a new phenomenon--and probably not serious--military-civilian relations may have become a bit more strained as Hanoi has attempted to marshal its limited resources to meet serious economic and international problems.

The directive itself, which was issued by the party Central Committee secretariat, incorporates the Army-run military, party, and technical schools into Vietnam's general school system. Overall responsibility for oversight and management is given to the party secretariat and the Council of Ministers. The central party committee of the Army and the Ministry of Defense apparently retain joint responsibility for day-to-day administration, but exercise it with the guidance of four other civilian ministries and departments.

In discussing the directive, an editorial in the Army newspaper on 2 November strongly implied that some in the military opposed the integration of the two school systems and resented the increased civilian supervision it represents. The editorial called on "all military echelons" to implement the "spirit" of the directive as well as its letter. Plans to carry it out must be "positive" and reflect a "high sense of responsibility."

The editorial in the party newspaper on the same day indicated that the differences extended to the proper role of the Army. The Army newspaper portrayed the directive as aimed at improving the Army's fighting capability. The party newspaper, however, stressed the Army's economic and reconstruction role, which has been

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emphasized since the fall of Saigon in 1975. The party newspaper stated that while Army personnel must acquire military knowledge, they must also have knowledge of other fields "to properly perform their tasks of engaging in socialist construction."

The Army is clearly sensitive about the implied civilian criticism of its performance in the directive. The Army editorial referred only to vague, unspecified shortcomings in the old system and implied that the basic rationale for the directive was to ensure uniformity of instruction. The civilians, however, were more direct in the party newspaper, in effect accusing the military of such abuses as:

- Ignoring regulations everyone must follow.
- Following a political training program at variance with the party program.
- Slighting scientific, technological, and cultural instruction while overemphasizing military subjects.
- Reluctance to change standards to meet the Army's new role.

The adjustment to the post-1975 period may be particularly difficult for some military professionals. The Army has been assigned a major economic and reconstruction role, and many talented cadres have been reassigned to essentially nonmilitary duties in the south. The growing war with Kampuchea and the increased threat from China apparently have not led to a significant lessening of the Army's economic responsibilities, and some may believe they are being asked to do much more with a lot less.

The directive--if efficiently implemented--could conceivably reduce the burden on the military, but the tone of the Army editorial suggests that many in the military see the directive only as more civilian meddling. The fact that the directive empowers four civilian ministries and departments to assist the military

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in running its school system would seem to confirm the military's worst fears. Given the Vietnamese bureaucracy's penchant for administrative disputes, a smooth implementation of the directive is unlikely. Moreover, the Army newspaper makes clear that the military schools must "rely on their own means" to bring themselves up to standard. The absence of significant state aid will limit the effectiveness of the directive. (CONFIDENTIAL)

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Indonesia: Food and Population Assessment

Since 1967 under President Suharto the Indonesian Government has achieved considerable success in slowing population growth in Java and Bali and in stimulating rice production. Nevertheless, the overall food-population balance has not improved, and public confidence in the regime's ability to relieve the age-old problems of hunger, population growth, unemployment, and social inequity appears to be waning.

Population Policies and Problems

Indonesian leaders implemented a family planning program in the early 1970s. Aided by Suharto's continual and enthusiastic support and the active participation of leaders at the village level, the endeavor met with success on the inner islands of Java and Bali, which account for nearly two-thirds of the total population. Fertility levels dropped from an estimated 5.3 children per woman in 1967-70 to 4.5 in 1976--an unusual decline to occur without the presence of the socioeconomic indicators normally considered essential. The program was expanded in 1974 to include 11 provinces of the outer islands, and the remaining outer island provinces will be brought into the program in 1979.

The outer islands have long been viewed as a safety valve for the densely populated inner islands. Despite the outer islands' lower population density, their estimated 50 million population exceeds the total population of any other Southeast Asian nation, and the natural increase is high. In addition, through its migration program, the government hopes to resettle large numbers of families from the inner islands and to invest in economic and agricultural development to make the outer islands producers of surplus food. The government is finding, however, that the best lands have already been settled and that agricultural development of the less favorable lands is limited by a variety of environmental and socioeconomic factors.

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Progress in implementing the family planning program on the outer islands has been slow, and unless the program succeeds in lowering the very high average fertility rate there, the increases to total population contributed by the outer islands may limit future economic development for all Indonesia.

Major problems associated with Indonesian population growth are lack of productive employment opportunities, inequality in income distribution, rapid urban growth, and malnutrition. Every year 1.5 million people are added to the labor force, and the creation of new jobs has not kept pace with this rapid growth. Both unemployment and underemployment are widespread. Spontaneous migration of young underemployed rural laborers in search of greater economic opportunities is fueling the rapid growth of the largest cities. Jakarta has been expanding at more than twice the national growth rate, and the levels of unemployment and underemployment existing there are high. About 40 percent of all employed persons in Jakarta are engaged in trade and service activities that offer very low wages.

Low incomes and unemployment are largely responsible for a high incidence of malnutrition. Nearly half of all Indonesians consume on the average only 75 percent of the minimum nutrition levels set by the UN Food and Agriculture Organization. Consumption levels appear to be about the same today as they were in the early 1960s, with rice supplying more than half of all calories and about half of all protein in the average Indonesian's diet.

#### Agricultural Development

Through its five-year development plans the government has taken measures to increase foodcrop production by introducing high-yielding varieties of seeds, increasing the use of fertilizers and pesticides, and improving irrigation and cultivation techniques. The main emphasis has been on stimulating rice production in order to stabilize rice prices, a measure perceived by the government as necessary to attain economic stability and to decrease the nation's dependence on rice imports. The narrow emphasis on rice production, however, has led to the neglect of other staples, and per capita production

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of these staples has declined. Crop yields have also been adversely affected by land mismanagement associated with the extension of cultivation to nonirrigated and nonterraced upland slopes.

The gap between grain production and consumption not only continues but appears to be widening. During the past decade Indonesia has depended on imports for about 10 percent of its total grain needs, and in the past two years the share has increased to more than 13 percent. By 1985 market demand for rice is likely to exceed 22 million metric tons, while rice production will probably be about 18.7 million metric tons. Given these projections, rice imports totaling almost 4 million tons will be needed in order to meet demand in 1985. Nevertheless, such imports will not fulfill minimum nutrition requirements since market demand does not reflect the total caloric requirements of the lowest income groups.

#### Economic Trends

Indonesia currently has a strong balance of payments position, with a comfortable but not high level of international reserves. Export earnings from oil are leveling off, however, and Indonesia faces a period of some uncertainty because of changing conditions in exploration and marketing. In addition, the rate of increase for nonoil exports is expected to drop from 15 percent in 1977-78 to 8 percent in 1978-79. Although the outlook for exports is somewhat uncertain, it is clear that the availability of foreign exchange, at least for a time, will be more of a constraint on imports than it has been since 1974.

Indonesia has strong incentives to limit the growth of food imports. Continued heavy dependence on imports will leave the nation seriously vulnerable in the event of a severe crop failure and a worldwide grain shortage; Indonesian imports in the past three years have averaged more than 15 percent of total world rice exports, and in 1977-78 the Indonesian share was 25 percent. Larger food imports will reduce the foreign exchange available for imports of other goods needed to accelerate economic development.

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Details of the third five-year plan to begin in April 1979 have not been released. The need for a major push in agriculture is clear, but less clear are the particular investment options and courses of action that will be taken in order to achieve a sustained increase in food production. In the next few years funds will probably continue to be directed toward intensification of irrigated agriculture on Java; for the longer term, emphasis will probably be placed on investment geared to developing the outer islands' potential. Options in technology transfer that would dramatically increase food production in the short term are not available. Furthermore, adaptation of new agricultural technology will be limited by the inefficiency of government institutions, a lack of trained manpower, and the existence of many farms too small to generate the capital required to purchase modern technology.

### Outlook

Whatever food policy objectives the government chooses to follow, effective policy implementation will depend in large part upon the commitment and ability of the Suharto government to effect institutional reform from the national policy level on down to the local level. A desire to remedy the institutional problems was signaled by cabinet changes in March 1978.

Rice supplies and prices have strong psychological and political significance to Indonesians; rice prices are a barometer of general economic conditions. Without adequate government-held rice supplies to inject into the market, particularly in the urban areas, the price of rice can escalate rapidly. The government is well aware that rioting has erupted in the past when sufficient quantities of rice were not available to urban consumers at a price they could afford; it demonstrated in 1977-78 that in a crisis it will attempt to procure sufficient rice to maintain the ceiling price and thereby forestall civil unrest. An extended production shortfall coupled with insufficient external supplies could overtax its ability to meet these goals, however, resulting in sharp price increases and possible civil disorder. (CONFIDENTIAL)

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Japan: Selected Chronology  
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11 October	Nepalese Finance Minister Bhekh Bahadur Thapa, home after a 10-day tour of China, Japan, and Thailand, disclosed that Japan and Nepal had agreed to open an air route between the two countries.
11-13 October	Soviet-Japanese negotiations end in the signing of a joint memorandum for further expansion of trade.
13 October	Japan and Bangladesh sign a five-year agreement on the extension of Japanese technical cooperation for projects of the Central Extension Resources Development Institute.
14 October	Dutch Foreign Minister Christoph van der Klaauw visits Japan.
16 October	Japan has arranged for a grant of up to \$4.5 million to Afghanistan for construction of educational facilities and a food program.
18 October	Former South Korean Premier Kim Chong-pil and a 148-member delegation arrive in Tokyo to attend the second joint general meeting of the Japan - South Korea friendship associations of both countries to be held on 20 October. Kim meets Prime Minister Fukuda.

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19 October Japan extends a \$165 million loan to Egypt as part of its economic cooperation in Egypt's development projects. It is to be repayable over 30 years, including a 10-year grace period.

22-29 October Chinese Vice Premier Teng Hsiao-p'ing visits Japan to exchange with Prime Minister Fukuda the instruments of ratification of the Japan-China peace and friendship treaty. He is the highest ranking Communist Chinese leader ever to visit Japan.

24 October Kyodo News Service and the Wam News Agency of the United Arab Emirates sign an agreement on news exchange and cooperation. The agreement will be in force for one year and is renewable on a year-to-year basis. It brings to 34 the number of news exchange agreements.

With a view to promoting exchanges between Japan and China, Japanese business concerns establish an industrial, technological, and cultural center in Tokyo.

Masahisa Takigawa, Japan's Ambassador to Sweden, is appointed concurrently to Iceland.

24-27 October A 44-member Doshikai (Comrade Association) mission of the Liberal Democratic Party, led by Morio Sasaki, visits Taipei.

25 October Cambodian Vice Premier Ieng Sary stops over in Tokyo on his way home to confer with Foreign Minister Sonoda. Ieng Sary said that Cambodia's Ambassador to Peking, Pich Cheang, will be appointed concurrently to Tokyo at an early date.

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25-30 October President of the Kyodo TSUSHIN Agency, Takeji Watanabe, visits Moscow at the invitation of TASS. While there he signs a protocol on development of cooperation between the two news agencies.

26 October A Soviet trade union delegation, headed by Vasiliy Prokhorov, deputy chairman of the All-Union Central Council of Trade Unions, arrives in Tokyo to have talks with leaders of the Japanese trade union centers.

Japan's NTV Corporation President Yosoji Kobayashi visits Bulgaria.

27 October Akira Watari is appointed deputy director general of the Defense Agency. Keiichi Ito, director of the Defense Bureau, will be promoted to secretary general of the National Defense Council. Toru Hara, director of the Finance Bureau, will replace Keiichi Ito. Katsumi Takeoka, chief of the secretariat of the Defense Facilities Administration Agency, will conduct talks with US defense authorities on the sharing of expenditures of US bases in Japan.

A protocol is signed with the Soviet Union's All-Union Fishing and Shipping Association in implementation of an agreement that the Japanese and Soviet Governments reached this April while negotiating bilateral fishery cooperation.

Mashairo Maeda is appointed Ambassador to the Dominican Republic. Mintru Takeda is appointed Ambassador to Laos. Fumiya Okada is appointed Ambassador to Jordan.

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28 October External Economic Affairs Minister Nobuhiko Ushiba leaves for the US to meet with US special trade representative Robert Strauss on 30 and 31 October for another round of ministerial level talks on bilateral trade.

28 October -  
9 November Malaysian Deputy Prime Minister and Trade and Industry Minister Dr. Mahathir visits Japan.

30 October A 10-member delegation of Swedish parliamentarians, led by Parliament Speaker Henry Allard of the opposition Social Democratic Labor Party, visits Japan at the invitation of the Japanese Diet.

Japan's big-six steelmakers send a high-level mission to Peking for rolled steel supply talks. The mission is to offer to supply the Chinese with about 2.5 million metric tons of rolled carbon steel for shipment in the first half of 1979.

30 October -  
4 November Mexican President Jose Lopez Portillo and his wife make an official visit to Japan. An agreement was signed for a nearly \$1 billion loan package and general agreement on Japanese purchase of Mexican oil in exchange for development assistance.

2 November Kensuke Yanagiya is appointed director general of the Foreign Ministry's Asian Affairs Bureau succeeding Yosuke Nakae, who will become Counselor for Foreign Affairs in the Ministry.

2-3 November A two-day session of the joint Czechoslovak-Japanese economic committee is held in Prague. A protocol is signed on bilateral cooperation in the sphere of engineering, chemical, consumer goods, and food industries.

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2-8 November Australian Industry and Commerce Minister Phillip Lynch visits with Japanese Government and business leaders.

3-5 November Japan Socialist Party Chairman Ichio Asukata leads a 15-member delegation to a general meeting of the Socialist International (SI) being held in Vancouver, Canada, to discuss the world economy, disarmament, and the South African situation. Asukata was named as a new SI vice president.

5-8 November French Foreign Minister Louis de Guiringaud holds regular ministerial consultations with Foreign Minister Sonoda in Japan.

5-10 November Irish Foreign Minister Michael O'Kennedy has talks in Japan with Japanese leaders on international and bilateral problems.

6 November US Energy Secretary James Schlesinger meets Prime Minister Fukuda in Japan.

7 November Tsutomu Wada is appointed Ambassador to Iran. Ryoko Ishikawa is appointed Ambassador to Ireland. Isaburo Mukumoto is appointed Ambassador to Uruguay.

8 November Japan will extend up to \$1 million in grant aid to Tonga to assist in the country's nutrition improvement project.

8-9 November Japanese-Polish private economic talks ended with the signing of a memorandum calling for the visit to Japan of Polish experts and the establishment of working groups for industrial cooperation between the two countries.

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9-13 November	Peruvian Economics and Finance Minister Javier Silva Ruete visits Japan to ask for Japan's help to reestablish his country's economic situation.
9-15 November	Foreign Minister Sonoda visits the UK, Hungary, and Czechoslovakia. He is the first Japanese Foreign Minister to visit East Europe since 1967.
13-19 November	A mission of heads of Diet policy committees of various parties, excluding the Japan Communist Party and the Social Democratic League, led by Shoichi Miyaka, deputy speaker of the House of Representatives, visits China at the invitation of the Standing Committee of the National People's Congress.
15-19 November	Piotr Jaroszewicz, Premier of Poland, visits Japan.
16 November	<p>The General Council of Trade Unions of Japan (SOHYO) sets up its European office in Paris in order to promote exchanges with labor unions in advanced capitalist nations. The office is headed by Mitsuo Tomizuka, SOHYO Secretary General.</p> <p>At a meeting held between the Democratic Socialist Party and the visiting Secretary General Bernt Carlson of the London-based Socialist International, it was decided to put the secretariat of the Socialist International's chapter for the Asia and Pacific region in Japan and to hold its first Asian congress somewhere in the region next year.</p>
16-18 November	Japanese ambassadors stationed in the Middle East meet in Paris to discuss recent developments in the region.

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16-30 November Tadateru Konoe and his wife Yasuko, daughter of Prince Mikasa, visit China at the invitation of the China-Japan Friendship Association. This is the first time that relatives of the Imperial Family have visited China since the war.

17 November Yosuke Nakae is appointed Ambassador to Yugoslavia.

The Ministry of International Trade and Industry announces that 47 enterprises, including the nation's leading petrochemical firms, will set up a private research company to study the feasibility of building a huge ethylene plant in Saudi Arabia. The research firm, temporarily called Saudi Petrochemical Development Co., will be formed in Tokyo around the end of November or in early December.

18 November Negotiations between Japan and the Soviet Union to decide the catch quotas in 1979 in their respective 200-mile fishery zones get under way at the Foreign Ministry.

21-24 November Sir Murray Maclehorse, governor of Hong Kong, arrives in Tokyo to join a top-level economic mission from the crown colony that had arrived on 19 November.

23-30 November A seven-member delegation of the Democratic Socialist Party headed by Chairman Ryosaku Sasaki visits China.

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27 November

Masayoshi Ohira wins the primary phase of the Liberal-Democratic Party presidential election, which in effect gives him the Prime Ministership.

Italian Foreign Minister Arnaldo Forlani attends the fourth regular consultations with Foreign Minister Sonoda to be held on 28-29 November.

Number of seats held by Democratic Socialist Party in lower house of Japanese Parliament reduced to 27 by death of Ittoku Tamaki.

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